

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF LARRY M. AND)	APPEAL NO. 06-A-2145
NANCY WEEKS from the decision of the Board of)	FINAL DECISION
Equalization of Madison County for tax year 2006.)	AND ORDER

RESIDENTIAL PROPERTY APPEAL

THIS MATTER came on for hearing October 25, 2006, in Rexburg, Idaho, before Board Member David E. Kinghorn. Board Member Lyle R. Cobbs also participated in this decision. Appellants Larry and Nancy Weeks appeared. Appraiser Gary Shewey, Janelle Gutke and Angie Allen appeared for Respondent Madison County. This appeal is taken from a decision of the Madison County Board of Equalization (BOE) denying the protest of the valuation for taxing purposes of property described as Parcel No. RPROCHS0030160A.

The issue on appeal is the market value of a residential parcel.

The decision of the Madison County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$40,250 and the improvements' valuation is \$164,750, totaling \$205,000. Appellant requests the total valuation be reduced to \$187,000.

Subject was originally assessed for \$40,250 and \$170,336 for the land and improvements respectively. On appeal the BOE reduced the improvements' valuation to \$164,750.

The subject property is a .26 acre residential lot with a 2,546 square foot residence built in 1996. Subject is located in Crest Haven Subdivision in Rexburg, Idaho.

Appellant owns properties in several counties and stated that properties are inconsistently assessed between counties. Appellant claimed some counties assess property between 60% - 80% of market value, whereas subject's county assesses at full market value. Appellant proposed changes to Idaho Code to reflect that all properties in the state be assessed at 80% of market value.

Next, Appellant provided several sales, one of which was a 2006 sale of an adjacent property. Another sale involved a 4,100 square foot house listed at \$223,000. Appellant was unsure of the actual sale price, but noted it was a much larger residence, yet was listed only marginally higher than subject's assessment. Two additional sales were residences that varied in size, age, and location. One sold for \$190,000 and the other for \$173,000.

Respondent pointed out that per statute, all counties in the state are to assess property at full market value. It was noted that the State uses ratio studies to analyze sales and assessments, and makes adjustments if necessary.

Respondent argued that Appellant's sales should not be considered because they either occurred after the January 1, 2006 lien date, involved properties too far from subject, or were otherwise dissimilar. Respondent then provided two sales in 2005 from subject's subdivision for \$220,000 and \$255,000. The residences were similar to subject in terms of location and quality. Adjustments were made to account for size differences.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

The court has consistently held that the only criterion for determining value of property for ad valorem tax purposes is the full cash or market value. The valuation of taxable property for assessment purposes must reasonably approximate the fair market value of the property in order to effectuate the policy embodied in Idaho Constitution Article 7 Section 5, i.e. that each taxpayer's property bear the just proportion of the property tax burden. Merris v. Ada County,

100 Idaho 59 at 63, 593 P.2d 394 (1979); Abbott v. State Tax Commission, 88 Idaho 200 at 208, 398 P.2d 221 at 225 (1965); Boise Community Hotel v. Board of Equalization, Ada County, 87 Idaho 152, 391 P.2d 840 (1964); C. C. Anderson Stores Co. v. State Tax Comm., 86 Idaho 249, 384 P.2d 677 (1963); Farmer v. State Tax Commission, 80 Idaho 72, 325 P.2d 278 (1958); Anderson's Red & White Store v. Kootenai County, 70 Idaho 260, 215 P.2d 815 (1950).

Market value is defined in Idaho Code § 63-201(10):

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Appellant provided several sales to support a reduced assessment. It was also alleged that property is inequitably assessed throughout the state.

Respondent provided sales from subject's subdivision and argued that Appellant's sales were too dissimilar to be considered.

As referenced above, property in the state of Idaho is to be assessed at full market value for the purpose of taxation. Unless changes are made by the Legislature, counties are bound by the law as written and must assess property accordingly.

The sales provided by Respondent seem indicative of subject's value because they involved residences similar in age and condition as subject. They were located in subject's subdivision and adjustments were made for the differences in size. Recent, proximate sales of similar property is typically considered the best evidence of value. In this case, using the sales from subject's subdivision appears appropriate and fair. Therefore, the Board affirms the decision of the Madison County Board of Equalization.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Madison County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed.

DATED this 27th day of April 2007.